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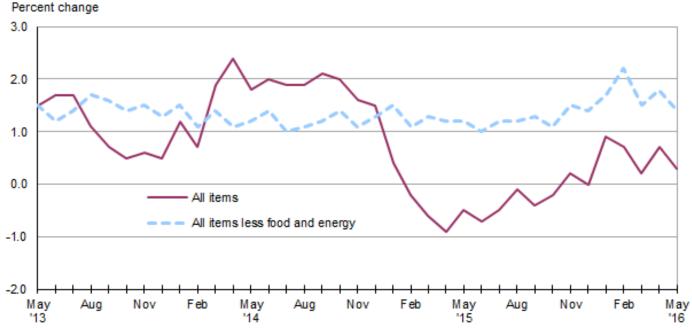
Incorrect prices for prescription drugs were used for the CPI-U and CPI-W indexes from May through August 2016 in a number of areas. Several indexes were affected, including the all items and medical care indexes. A list of the series affected can be found at www.bls.gov/bls/errata/cpi-price-corrections-10182016.htm, and the corrected data are available in the CPI database (www.bls.gov/cpi/data.htm).

# Consumer Price Index, Chicago-Gary-Kenosha — May 2016 Local prices rose 0.3 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Chicago-Gary-Kenosha area remained unchanged in May, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that energy prices rose 3.9 percent while food prices declined 0.5 percent in May. The all items less food and energy index decreased 0.2 percent over the month. Among the indexes within the all items less food and energy category, prices were lower for recreation and apparel. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the Chicago area all items CPI-U rose 0.3 percent. (See chart 1 and table A.) The energy index fell 12.4 percent over the year primarily due to an annual decline in gasoline prices. The all items less food and energy index was 1.4 percent higher over the year. (See table 1.)

Chart 1. Over-the-year percent change in CPI-U, Chicago, May 2013-May 2016



Source: U.S. Bureau of Labor Statistics.

### **Food**

Food prices fell 0.5 percent in May following a 1.2-percent increase in April. Between the two components within the food index, prices for food at home (groceries) decreased 1.0 percent, and prices for food away from home (restaurant, cafeteria, and vending purchases) were 0.2 percent higher over the month. Within the food at home group, prices were lower for nonfrozen noncarbonated juices and drinks; breakfast cereal; and bacon, breakfast sausages, and related products. In contrast, the indexes for citrus fruits, lettuce, and chicken experienced increases.

From May 2015 to May 2016, the food index increased 1.2 percent. Prices for food eaten away from home rose 4.5 percent over the year, while grocery food prices declined 1.0 percent.

### **Energy**

The energy index was up 3.9 percent in May primarily due to gasoline prices rising 7.9 percent. The electricity index recorded an increase of 1.1 percent over the month, while utility (piped) gas service costs were down 0.3 percent.

On an annual basis, the Chicago area energy index declined 12.4 percent. The major contributing factor in the energy index's decline was a 14.9-percent decrease in gasoline prices from May 2015. The electricity index fell 11.6 percent and utility (piped) gas service costs fell 6.5 percent during the same period.

# All items less food and energy

The index for all items less food and energy decreased 0.2 percent in May. Prices were lower for recreation (-2.6 percent), apparel (-0.8 percent), and education and communication (-0.3 percent). Costs for medical care (0.4 percent) and household furnishings and operations (0.2 percent) were higher over the month.

Over the year, the index for all items less food and energy increased 1.4 percent. Increases in the indexes for shelter (2.8 percent), medical care (2.4 percent), and education and communication (0.8 percent) were major contributing factors. Prices were lower for household furnishings and operations (-3.0 percent) and recreation (-1.6 percent).

Table A. Chicago CPI-U 1-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2012		2013		2014		2015		2016	
	1-month	12- month								
January	0.6	2.1	0.2	1.2	0.9	1.2	-0.2	0.4	0.8	0.9
February	0.0	1.6	1.1	2.3	0.5	0.7	0.0	-0.2	-0.2	0.7
March	1.2	2.1	-0.1	0.9	1.1	1.9	0.7	-0.6	0.1	0.2
April	0.0	1.7	0.0	0.9	0.5	2.4	0.1	-0.9	0.6	0.7
May	-0.1	1.0	0.5	1.5	-0.1	1.8	0.3	-0.5	0.0	0.3
June	-0.1	0.9	0.1	1.7	0.4	2.0	0.2	-0.7		
July	-0.2	1.1	-0.2	1.7	-0.4	1.9	-0.1	-0.5		
August	0.6	1.5	0.1	1.1	0.1	1.9	0.4	-0.1		
September	0.3	1.6	-0.2	0.7	0.0	2.1	-0.3	-0.4		
October	-0.2	1.7	-0.3	0.5	-0.4	2.0	-0.1	-0.2		
November	-0.4	1.5	-0.3	0.6	-0.8	1.6	-0.4	0.2		
December	-0.3	1.7	-0.3	0.5	-0.4	1.5	-0.6	0.0		

The June 2016 Consumer Price Index for Chicago is scheduled to be released on Friday, July 15, 2016.

## **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.** 

The Chicago-Gary-Kenosha, Ill.-Ind.-Wis. consolidated area covered in this release is comprised of Cook, DeKalb, DuPage, Grundy, Kane, Kankakee, Kendall, Lake, McHenry, and Will Counties in Illinois; Lake and Porter Counties in Indiana; and Kenosha County in Wisconsin.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Chicago-Gary-Kenosha, IL-IN-WI (1982-84=100 unless otherwise noted)

Item and Group		Indexes		Percent change from-			
	Mar. 2016	Apr. 2016	May 2016	May 2015	Mar. 2016	Apr. 2016	
Expenditure category							
All items	227.778	229.197	229.257	0.3	0.6	0.0	
All items (1967=100)	680.507	684.745	684.925	-	-		
Food and beverages	241.529	244.140	242.985	1.1	0.6	-0.	
Food	241.142	243.985	242.765	1.2	0.7	-0.	
Food at home	234.737	237.899	235.636	-1.0	0.4	-1.	
Food away from home	245.032	247.301	247.752	4.5	1.1	0.3	
Alcoholic beverages	245.528	244.694	244.504	-0.6	-0.4	-0.	
Housing	234.672	234.650	234.952	1.3	0.1	0.	
Shelter	294.015	294.479	294.568	2.8	0.2	0.0	
Rent of primary residence (1)	310.717	311.114	311.695	2.6	0.3	0.3	
Owners' equiv. rent of residences (1) (2).	298.599	298.911	299.775	2.7	0.4	0.	
Owners' equiv. rent of primary residence (1) (2)	298.599	298.911	299.775	2.7	0.4	0.3	
Fuels and utilities	192.282	190.815	192.257	-5.3	0.0	0.8	
Household energy	151.246	149.707	150.457	-9.8	-0.5	0.	
Energy services (1)	154.154	152.491	153.423	-9.8	-0.5	0.0	
Electricity (1)	156.471	155.732	157.431	-11.6	0.6	1.	
Utility (piped) gas service (1)	137.028	134.023	133.639	-6.5	-2.5	-0.	
Household furnishings and operations	93.553	93.024	93.253	-3.0	-0.3	0.	
Apparel	87.730	88.250	87.536	-1.3	-0.2	-0.	
Transportation	175.370	179.773	182.559	-4.1	4.1	1.	
Private transportation	171.587	175.531	178.485	-4.0	4.0	1.	
Motor fuel	181.813	202.163	218.064	-15.0	19.9	7.5	
Gasoline (all types)	180.039	200.250	216.003	-14.9	20.0	7.9	
Gasoline, unleaded regular (3)	171.969	191.964	207.394	-16.3	20.6	8.	
Gasoline, unleaded midgrade (3) (4)	204.785	224.879	242.246	-10.6	18.3	7.	
Gasoline, unleaded premium (3)	205.601	224.450	238.978	-7.0	16.2	6.	
Medical care	471.737	472.816	474.541	2.4	0.6	0.4	
Recreation (5)	110.923	111.489	108.563	-1.6	-2.1	-2.	
Education and communication (5)	142.143	142.775	142.333	0.8	0.1	-0.3	
Other goods and services	383.173	383.302	382.602	-0.1	-0.1	-0.2	
Commodity and service group							
All items	227.778	229.197	229.257	0.3	0.6	0.0	
Commodities	164.038	166.064	166.469	-1.5	1.5	0.3	
Commodities less food & beverages	124.895	126.587	127.599	-3.7	2.2	0.	
Nondurables less food & beverages	159.843	164.641	166.944	-4.2	4.4	1.	
Durables	91.191	90.538	90.553	-2.0	-0.7	0.	
Services	288.202	288.999	288.716	1.4	0.2	-0.	
Special aggregate indexes							
All items less medical care	217.319	218.754	218.742	0.1	0.7	0.	
All items less shelter	205.458	207.211	207.261	-0.9	0.9	0.	
Commodities less food	129.210	130.856	131.848	-3.5	2.0	0.8	
Nondurables	201.033	204.819	205.469	-1.3	2.2	0.	
Nondurables less food	165.416	169.925	172.101	-4.0	4.0	1.	
Services less rent of shelter (2)	296.960	298.071	297.375	-0.2	0.1	-0.2	
Services less medical care services	274.395	275.221	274.655	1.3	0.1	-0. 3.	
Energy	162.822	169.760	176.374	-12.4	8.3		

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Chicago-Gary-Kenosha, IL-IN-WI (1982-84=100 unless otherwise noted) - Continued

Item and Group		Indexes		Percent change from-			
	Mar. 2016	Apr. 2016	May 2016	May 2015	Mar. 2016	Apr. 2016	
All items less energy	235.765	236.685	236.139	1.4	0.2	-0.2	
All items less food and energy	235.619	236.192	235.767	1.4	0.1	-0.2	

#### Footnotes

- (1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.
- (2) Index is on a December 1982=100 base.
- (3) Special index based on a substantially smaller sample.
- (4) Indexes on a December 1993=100 base.
- (5) Indexes on a December 1997=100 base.
- Data not available.

Note: Index applies to a month as a whole, not to any specific date.